post office address. Any such cancellation is subject to judicial review as provided in section 23(b) of the Act.

- (b) Producing leases issued under the Act may be cancelled by the Secretary whenever the lessee fails to comply with any provision of the Act, applicable regulations or the lease only after judicial proceedings as prescribed by section 5(d) of the Act.
- (c) Any lease issued under the Act, whether producing or not, shall be canceled by the authorized officer upon proof that it was obtained by fraud or misrepresentation, and after notice and opportunity to be heard has been afforded to the lessee.
- (d) Pursuant to section 5(a) of the Act, the Secretary may cancel a lease when:
- (1) Continued activity pursuant to such lease would probably cause serious harm or damage to life, property, any mineral, National security or defense, or to the marine, coastal or human environment;
- (2) The threat of harm or damage will not disappear or decrease to an acceptable extent within a reasonable period of time; and
- (3) The advantages of cancellation outweigh the advantages of continuing such lease or permit in force. Procedures and conditions contained in §550.182 shall apply as appropriate.

Subpart L—Section 6 Leases

§256.79 Effect of regulations on lease.

(a) All regulations in this part, insofar as they are applicable, shall supersede the provisions of any lease which is maintained under section 6(a) of the Act. However, the provisions of a lease relating to area, minerals, rentals, royalties (subject to sections 6(a) (8) and (9) of the Act), and term (subject to section 6(a)(10) of the Act and, as to sulfur, subject to section 6(b)(2) of the Act) shall continue in effect, and, in the event of any conflict or inconsistency, shall take precedence over these regulations.

(b) A lease maintained under section 6(a) of the Act shall also be subject to all operating and conservation regulations applicable to the OCS. In addition, the regulations relating to geophysical and geological exploratory op-

erations and to pipeline rights-of-way are applicable, to the extent that those regulations are not contrary to or inconsistent with the lease provisions relating to area, the minerals, rentals, royalties and term. The lessee shall comply with any provision of the lease as validated, the subject matter of which is not covered in the regulations in this part.

§ 256.80 [Reserved]

Subpart M—Studies [Reserved]

Subpart N—Bonus or Royalty Credits for Exchange of Certain Leases Offshore Florida [Reserved]

PARTS 259-260 [RESERVED]

PART 270—NONDISCRIMINATION IN THE OUTER CONTINENTAL SHELF

Sec.

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AUTHORITY: 43 U.S.C. 1863.

Source: 76 FR 64462, Oct. 18, 2011 unless otherwise noted.

§ 270.1 Purpose.

The purpose of this part is to implement the provisions of section 604 of the OCSLA of 1978 which provides that "no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from receiving or participating in any activity, sale, or employment, conducted pursuant to the provisions of ** the Outer Continental Shelf Lands Act."

§ 270.2 Application of this part.

This part applies to any contract or subcontract entered into by a lessee or by a contractor or subcontractor of a lessee after the effective date of these regulations to provide goods, services, facilities, or property in an amount of \$10,000 or more in connection with any activity related to the exploration for

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or development and production of oil, gas, or other minerals or materials in the OCS under the Act.

§ 270.3 Definitions.

As used in this part, the following terms shall have the following meanings:

Contract means any business agreement or arrangement (in which the parties do not stand in the relationship of employer and employee) between a lessee and any person which creates an obligation to provide goods, services, facilities, or property.

Lessee means the party authorized by a lease, grant of right-of-way, or an approved assignment thereof to explore, develop, produce, or transport oil, gas, or other minerals or materials in the OCS pursuant to the Act and this part.

Person means a person or company, including but not limited to, a corporation, partnership, association, joint stock venture, trust, mutual fund, or any receiver, trustee in bankruptcy, or other official acting in a similar capacity for such company.

Subcontract means any business agreement or arrangement (in which the parties do not stand in the relationship of employer and employee) between a lessee's contractor and any person other than a lessee that is in any way related to the performance of any one or more contracts.

§270.4 Discrimination prohibited.

No contract or subcontract to which this part applies shall be denied to or withheld from any person on the grounds of race, creed, color, national origin, or sex.

§ 270.5 Complaint.

(a) Whenever any person believes that he or she has been denied a contract or subcontract to which this part applies on the grounds of race, creed, color, national origin, or sex, such person may complain of such denial or withholding to the Regional Director of the OCS Region in which such action is alleged to have occurred. Any complaint filed under this part must be submitted in writing to the appropriate Regional Director not later than 180 days after the date of the alleged unlawful denial of a contract or sub-

contract which is the basis of the complaint.

- (b) The complaint referred to in paragraph (a) of this section shall be accompanied by such evidence as may be available to a person and which is relevant to the complaint including affidavits and other documents.
- (c) Whenever any person files a complaint under this part, the Regional Director with whom such complaint is filed shall give written notice of such filing to all persons cited in the complaint no later than 10 days after receipt of such complaint. Such notice shall include a statement describing the alleged incident of discrimination, including the date and the names of persons involved in it.

§ 270.6 Process.

Whenever a Regional Director determines on the basis of any information, including that which may be obtained under §270.5 of this part, that a violation of or failure to comply with any provision of this subpart probably occurred, the Regional director shall undertake to afford the complainant and the person(s) alleged to have violated the provisions of this part an opportunity to engage in informal consultations, meetings, or any other form of communications for the purpose of resolving the complaint. In the event such communications or consultations result in a mutually satisfactory resolution of the complaint, the complainant and all persons cited in the complaint shall notify the Regional Director in writing of their agreement to such resolution. If either the complainant or the person(s) alleged to have wrongfully discriminated fail to provide such written notice within a reasonable period of time, the Regional Director must proceed in accordance with the provisions of 30 CFR 250, subpart N.

§ 270.7 Remedies.

In addition to the penalties available under 30 CFR part 250, subpart N, the Director may invoke any other remedies available to him or her under the Act or regulations for the lessee's failure to comply with provisions of the Act, regulations, or lease.